

*The Kentucky
Retail
Federation's*

**RETAIL
ECONOMIC
SURVEY
RESULTS**

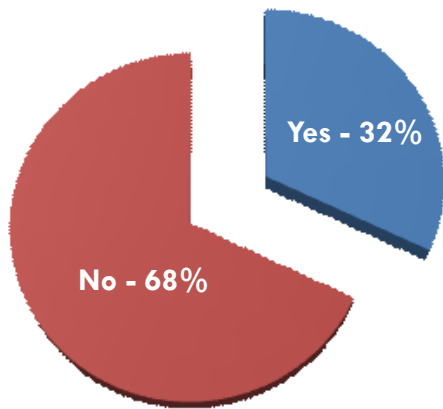
*Spring
2013*

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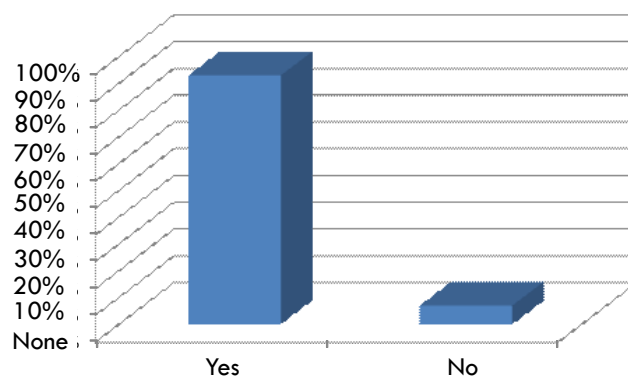


ECONOMIC IMPACT ON BUSINESS

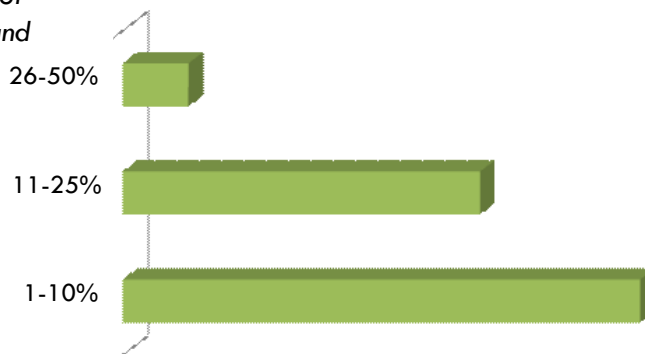
1. Do you believe your business is financially better off this year than last?



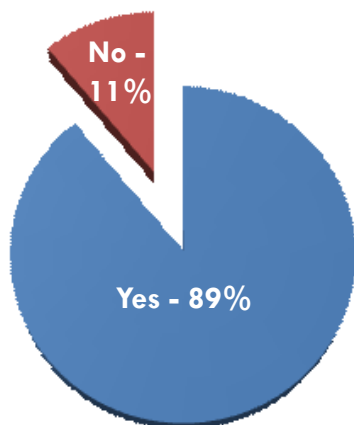
2. Do you believe online shopping will negatively impact your 2013 sales?



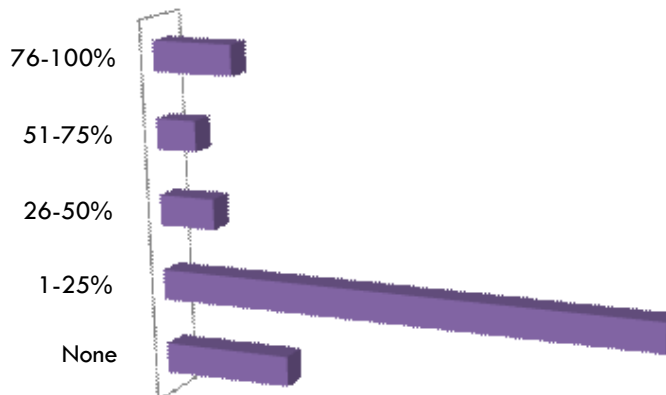
If yes, please share what percentage of sales you feel you will lose to online and catalog retailers:



3. Have you seen an increase in the price of goods?



If yes, how much of that increase have you been forced to pass along to consumers?



4. What do you believe will have the biggest impact on your ability to grow your business?

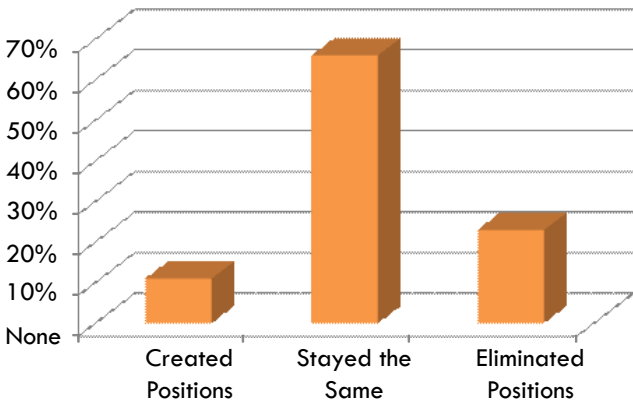
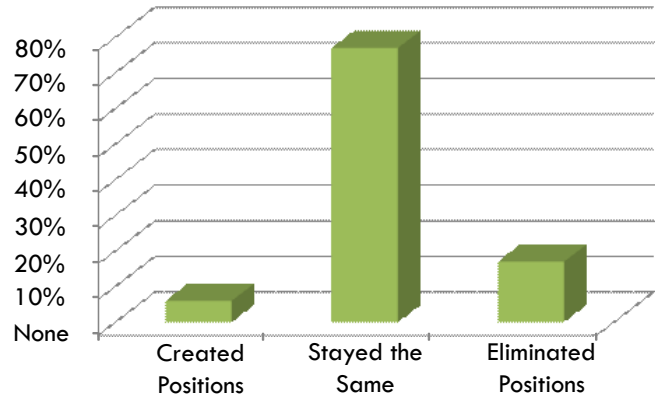
**A significant number of respondents chose "other" and identified the decline of the state's coal industry as a factor.*

Ranked By Number Of Responses

- Health Care Reform
- Government Regulation
- Tax Policies
- Unemployment
- Credit Market

EMPLOYMENT/WORKFORCE

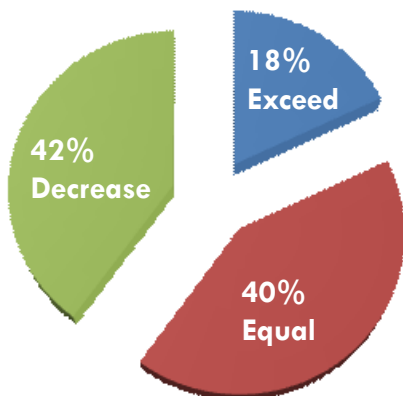
5. Please describe your full-time workforce this year?



6. Please describe your part-time workforce this year?

YEAR-TO-DATE SALES

7. How have your year-to-date sales compared to those of 2012 at this time?



8. What factor(s) has had the greatest impact on retail sales during 2013?

Top Five Trends

- Online Sales
- Health Care Costs
- Unemployment
- Decline of Coal Industry
- Weather

THE SURVEY

The eight question survey, mailed to a random sampling of the Federation's 6,000 members just after the April income tax deadline, included questions about the economy's impact on their business, employment and workforce, as well as sales projections. This is the first time that members have been asked to participate in a Spring survey on the topic, but the Federation has performed an annual survey each fall.

THE KENTUCKY RETAIL FEDERATION

The Kentucky Retail Federation is the "Voice of Retailing" throughout the Commonwealth, representing retailers of all types and sizes since 1939. From Main Street to the mall, retailers enhance Kentucky's communities and provide a better quality of life for Kentuckians everywhere. Kentucky's retail industry employs 380 thousand Kentuckians and pays more than \$9.3 billion in wages annually. Retailers collect over \$2.8 billion in state sales tax and pay millions in other taxes to state and local governments.